

MFSA Article

Why Use a Consultant and What Can They Do That My Staff Can't Do?

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Why Use a Consultant?

When asked about using a consultant many business owners refer to an old adage, "a consultant will borrow your watch to tell you what time it is." In other words, a consultant is going to tell me what I already know or is the obvious and, therefore, has little value. This couldn't be farther from the truth. A qualified industry consultant will provide the skill, knowledge and judgment to solve critical business problems that add significant value to the client's business. They have been there and done that and, most likely, has seen that particular problem or a similar one and has successfully resolved it many times over. Their value is not only solving business problems but, more importantly, recognizing the problems in order to apply the most effective solution.

Many business owners frequently find themselves working in a survival mode and have little time to broaden their skills. They may have been working that way since the start of their business, wearing many hats and everyone, employees, customers, business partners and even family look to them to have all the answers. Sometimes they just don't know what they don't know. Their expanse of experience isn't broad enough to realize what they don't know and what they need help with. Business owners are faced with many issues that can threatened the business or restrict its growth. Many don't seek help until it's too late. Attorneys and accountants are sought after for their particular expertise and advise as are employees and peers but is this the best advice? A qualified consultant can successfully resolve specific business and production issues by applying years of experience thereby saving critical time and money.

What Can They Do That My Staff Can't Do?

It depends on your staff's capabilities and their available time. Small businesses are staffed lean to maximize profitability but this usually doesn't allow for the expertise or time needed to provide critical solutions even if they can recognize the problem. Even larger businesses grow too fast and don't have the qualified people and appropriate processes. A qualified consultant can provide the expertise that is required without hiring expensive staff and for just the time that is needed. Once the qualified consultant becomes familiar with your company, they can serve in an advisory capacity and provide support as needed.

Business Examination

To identify current or potential problems a limited business examination should be conducted. This would involve a general overview of the business to determine the business condition, apparent problems and concerns, sales effort, market position, business outlook and, most importantly, its mission and goals. To accomplished this key personnel would be interviewed and critical areas would be examined. This would include production capabilities, sales and customer service, the facilities, work space, workflow, quality control and plans for growth. The extent to which this would be performed would be determined by the scope of work agreed to by management. A business examination or business checkup should be performed periodically to keep the business growth on track and head off any potential problems.

What Constitutes A Qualified Consultant?

Industry Experience - To address specific mailing, fulfillment and printing problems requires a consultant with industry experience. General consultants require time and your money to "get up to speed" enough to even address the issues and still they may not have enough understanding to provide the best solution. An out-of-work manager/consultant may also be a concern even if they have industry experience. There

is the risk of not following through with the project when a better job comes along and not being available for follow-up work that maybe required.

Qualifications - Ask for a biographical summary or resume. Review their qualifications and interview them as you would a prospective management employee. Find out where they have received their experience and what they have accomplished.

Industry Affiliations - Fine out what industry affiliations they are connected with. A qualified consultant should be well involved in industry associations to keep them current in the industry and, of course, networking. They, most likely, will be associated with the same organizations that you are.

References - Ask for references. The references should be companies that you are familiar with. You want to be comfortable that the consultant is qualified.

Value - Some business owners feel more comfortable buying a piece of equipment than buying consulting services. It maybe the intangible aspects of consulting services that leave them uneasy if they have not used a qualified consultant before. The realities are that the actual return on investment for consulting services is many times over the cost depending on the situation. The primary value is to be able to access a valuable resource (the qualified consultant) that will address your situation and provide a solution when you need it and for long as you need it. Estimated engagement costs and value should be agreed to prior to the engagement with a clear written understanding of the work to be performed detailing the deliverables with possible decision points along the way.

Consulting Engagements Could Include:

- Executive management counseling
- Business examinations
- Business growth evaluation and support
- Business advisory
- Employee evaluations
- Productivity evaluations
- Production improvements
- Customer service improvements
- Strategic and marketing planning
- Sales and marketing support
- Proposal or bid preparation support
- Benchmarking
- Business expansions and startups
- New equipment and software evaluations
- Implementations and project management
- Efficiency improvement and procedure documentation
- Quality control and process improvement
- Total quality management